

## **REMARKS**

Claims 1, 16, 29, 46 and 49-51 have been amended. Claims 1, 3-16, 18-20, 22-30, and 31-56 remain pending in the application. Reconsideration is respectfully requested in light of the following remarks.

### **Section 101 Rejection:**

Section 5 of the Office Action rejected claims 16, 46 and 49-51 under 35 U.S.C. § 101 as being directed to non-statutory subject matter, and advised the applicant to re-state the limitation in words such as: *a control program written with computer-readable instructions on a computer-readable medium*. The cited claims have been amended accordingly.

### **Section 102(e) Rejection:**

Section 4 of the Office Action rejected claims 1, 3-6, 11-12, 14, 16, 18-21, 27-29 and 31-34 under 35 U.S.C. § 102(e) as being anticipated by Craig et al. U.S. Patent 6,260,111 (hereinafter “Craig”).

Amended claim 1 recites, in pertinent part, “the processing unit being operable to monitor a continued presence of the portable storage device, and, in the event of the removal of the portable storage device from the device reader, to signal a fault state, wherein in response to detecting a return of the portable storage device to the device reader within a predetermined time following the removal, the processing unit is further configured to continue to use the supplied network identity from the portable storage device for communicating via the data communications network, and wherein in response to the portable storage device not being returned to the device reader within the predetermined time following removal, the processing unit is configured to power itself down.”

At column 8, lines 5-8, Craig teaches “if the smart card 220 has been removed, then the power management unit 218 assumes that the user no longer wants to use the network computer and shuts down the system”. Thus, Craig does not teach or suggest “in the event of the removal of the portable storage device from the device reader, to signal a fault state, wherein in response to detecting a return of the portable storage device to the device reader within a predetermined time following the removal, the processing unit is further configured to continue to use the supplied network identity from the portable storage device for communicating via the data communications network ...”, as recited in claim 1. Craig appears to teach a system that immediately shuts down upon the removal of smart card 220.

Accordingly, claim 1 and all claims depending therefrom are believed to patentably distinguish over Craig. Claims 16 and 29 recite features similar to those discussed above with regard to claim 1. Accordingly, claims 16 and 29, along with all of their dependent claims, are also believed to patentably distinguish over Craig.

**Allowable Subject Matter:**

Applicant acknowledges the allowance of claims 40-45 and 52-56.

## CONCLUSION

Applicants submit the application is in condition for allowance, and an early notice to that effect is requested.

If any fees are due, the Commissioner is authorized to charge said fees to Meyertons, Hood, Kivlin, Kowert, & Goetzel, P.C. Deposit Account No. 501505/5681/04000.

Respectfully submitted,



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